

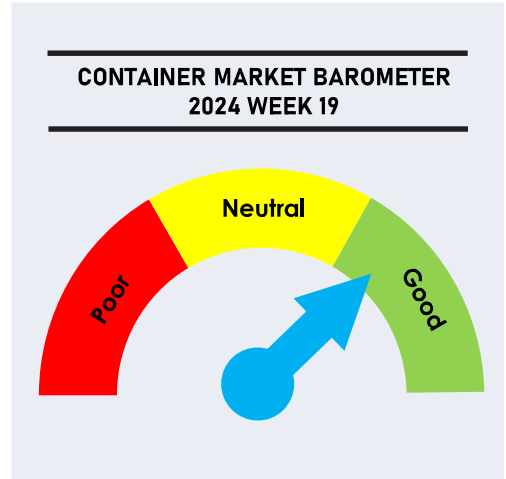
## Market Pulse 2024 Week 19

**IN FOCUS this week**  
Red Sea transits continue despite Houthi attacks

### MARKET BRIEF 2024 WEEK 19

The bullish container freight and charter markets continue to gain ground with carriers pushing for further rate hikes through May while demand for ships remain unabated. Over-capacity concerns are on the backburner with containership diversions to the Cape route effectively removing more than 7% of the total fleet. New tonnage requirements have shifted to the Mexico and Middle-East/Indian subcontinent markets, with 3 new services to Mexico launched in May alone by COSCO, CMA CGM and MSC while MSC has also converted a FE-USEC string to serve the Mexico and Caribbean market.

Freight futures rallied in a holiday shortened trading week, with the collapse of the Middle East peace talks pushing up expectations of further rate gains in the next 2 months to North Europe with capacity utilisation hitting a 3 year high on this route.

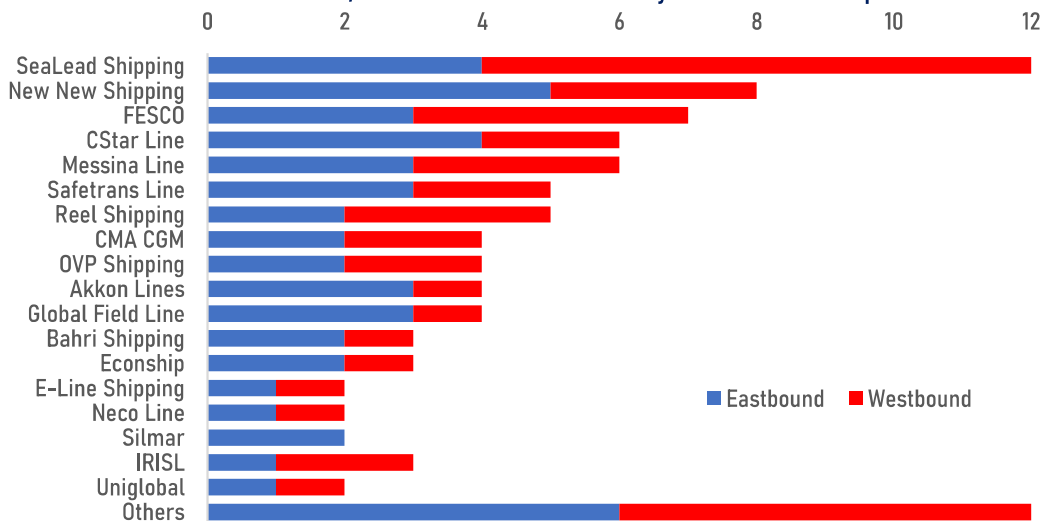


### Red Sea containership transits continue despite heightened risks

Containerships are still making transits on the Suez/Bab-el-Mandeb despite heightened risks following the collapse of ceasefire talks between Israel and Hamas and the escalation of the Houthi attacks on commercial shipping on the Red Sea which has widened to the Indian Ocean. Over 90 transits on the Bab-el-Mandeb has been recorded since 1 April 2024, mainly by smaller carriers operating in the Asia-Med and Baltic Sea routes, compared to over 700 voyages diverted to the Cape route in the same period.

CMA CGM remains the only mainline carrier to retain selective Red Sea transits with 3 of its ships on Asia-Med services operated within the OCEAN Alliance and 1 ship on the Europe-India route making the passage last month, with 2 more scheduled in the coming week.

Suez Canal/Bab-el-Mandeb transits by carrier since 1 April 2024



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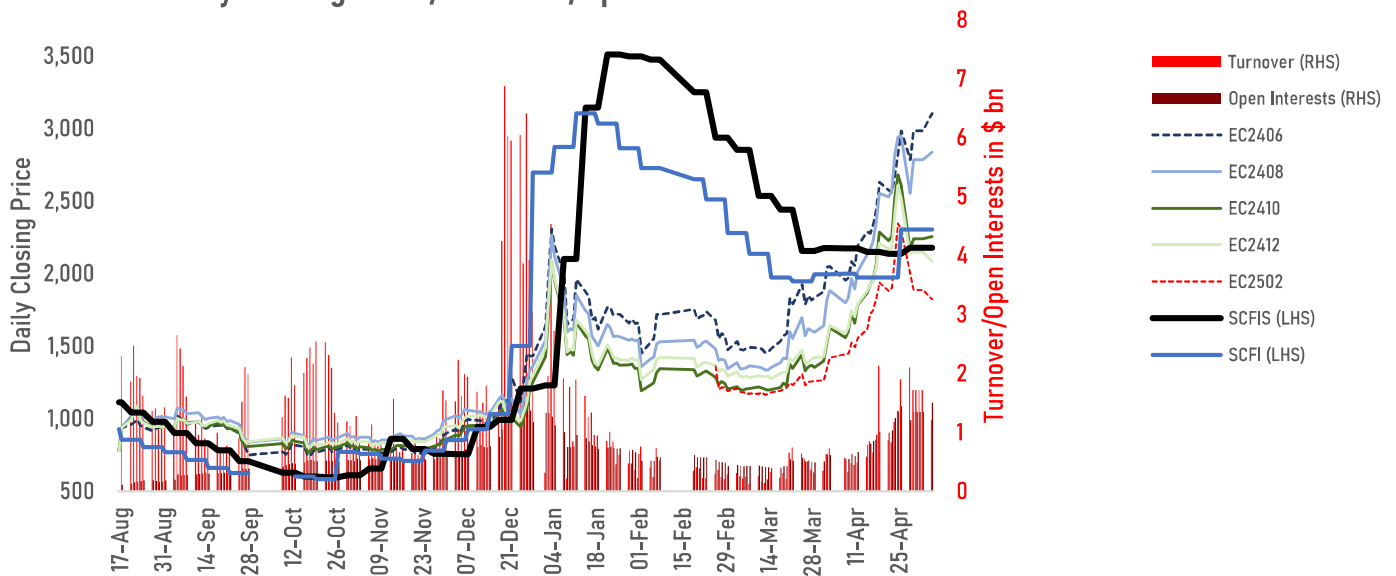
### CoFIF futures rally as Middle East peace talks collapse

Asia-North Europe freight futures rallied over the Labour Day shortened trading week, with rates on the 2 main futures contracts (EC2406 and EC2408) trading higher on 30 Apr and 6 May. The 2 short dated contracts rallied as the Middle East peace talks faltered with the 2 contracts accounting for nearly 80% of daily trading volumes, while the longer dated contracts for EC2412, EC2502 and the newly launched EC2504 were tactically sold off as trading hedges.

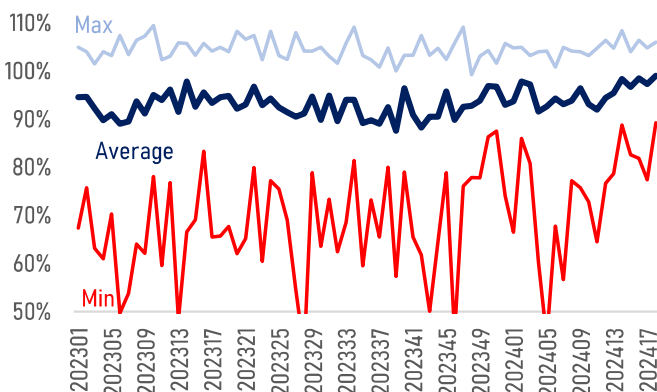
Average daily volumes were unchanged but open interest was up 15% WoW, indicative of the positive market sentiment. EC2406 contracts has risen for the 3<sup>rd</sup> consecutive week to reach 3,101 for an 11% gain for the week and currently trades at a 43% premium to the latest SCFIS at 2,209. Spot market rates have risen by almost \$1,000/feu over the past month with capacity utilisation at their highest levels since January 2023.

Contracts	Closing Price			Vs SCFIS 2,209	Avg Daily Volume			Avg Daily Turnover (\$M)			Open Interest (contracts)		
	6 May	29 Apr	WoW		Week 18	Week 17	WoW	Week 18	Week 17	WoW	6 May	29 Apr	WoW
EC2406	3,101	2,784	11%	40%	39,769	39,866	0%	812	762	6%	36,301	29,936	21%
EC2408	2,836	2,550	11%	28%	21,945	24,731	-11%	413	475	-13%	25,026	22,088	13%
EC2410	2,254	2,169	4%	2%	9,013	8,730	3%	139	150	-8%	9,118	9,159	0%
EC2412	2,081	2,134	-2%	-6%	3,448	2,637	31%	50	44	13%	3,382	3,268	3%
EC2502	1,821	1,995	-9%	-18%	3,359	2,523	33%	43	39	11%	2,056	2,009	2%
EC2504	1,708	1,995	-14%	-14%	688	0	NA	8	0	NA	475	0	NA
<b>Total</b>					<b>78,221</b>	<b>78,487</b>	<b>0%</b>	<b>1,465</b>	<b>1,471</b>	<b>0%</b>	<b>76,358</b>	<b>66,460</b>	<b>15%</b>

### CoFIF Daily Closing Price/Turnover/Open Interests



FE-NEUR Capacity Utilization : 2023-2024 by week



FE-NEUR Spot Rates (\$/40')

